



INTSIKA YETHU LOCAL MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2009

INTSIKA YETRU MUNICIPALITY

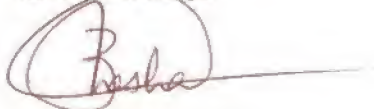
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APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

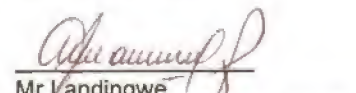
The annual financial statements set out on page 1 - 25 were approved by the

Municipal Manager



Mr Z. Shasha
Municipal Manager

DATE : 31/08/09



Mr Landingwe
Acting Chief Financial Officer

DATE : 31/08/2009

**INTSIKA YETHU LOCAL MUNICIPALITY
GENERAL INFORMATION (Continued)**

OTHER COUNCILLORS

Speaker :	M Sokujika	<i>Speaker of the Council</i>	
Councillor :	L N Ntshanka	Councillor :	M Mkhumbuzi
Councillor :	S N Bizana	Councillor :	B Mbonoswa
Councillor :	F N Dangazela	Councillor :	M S Mfanyana
Councillor :	V G Matomela	Councillor :	L Mbabisa
Councillor :	J Mdekazi	Councillor :	N Tayitile
Councillor :	D Wakeni	Councillor :	M Yamile
Councillor :	N Mtell	Councillor :	N E Stata
Councillor :	M Yotsi	Councillor :	N Tukwayo
Councillor :	J Peter	Councillor :	N Berana
Councillor :	M G Ntshinka	Councillor :	M Mahali
Councillor :	N M Rigala	Councillor :	G Kuse
Councillor :	C S Voloki	Councillor :	S Tame
Councillor :	N Tsomo	Councillor :	M Shungu
Councillor :	N Mbebe	Councillor :	P Nqandela
Councillor :	M H Hewu	Councillor :	M Kolofane
Councillor :	N Magaga	Councillor :	S Myataza
Councillor :	M Papiyana	Councillor :	D Kaspile
Councillor :	Z Qaylya	Councillor :	Z Jabanga
Councillor :	F N Dyushu		

**IMSIKA YETU LOCAL MUNICIPALITY
GENERAL INFORMATION**

MEMBERS OF THE EXECUTIVE COMMITTEE

MAYOR : SD Plata

Councillor : WN Mdwalingana *Local Economic Development and Tourism - Chairperson*

Councillor : Z Mbotoloshi *Infrastructure Development - Chairperson*

Councillor : Y Gasa *Corporate services - Chairperson*

Councillor : K Makapela *Finance - Chairperson*

Councillor : N Nkota *Special Programmes - Chairperson*

Councillor : N Boyana *Social Needs - Chairperson*

Councillor : K Vimbayo

GRADING OF THE LOCAL AUTHORITY

Grade 3

AUDITORS

Auditor General - Eastern Cape

BANKERS

First National Bank

REGISTERED OFFICE

*P/BAG X 1251
COFIMVABA
5380*

*Telephone : 047 874 5211
Facsimile : 047 874 0385*

MUNICIPAL MANAGER

Mr Z Shasha

ACTING CHIEF FINANCIAL OFFICER

Mr Landingwe

INTSIKA YETHU LOCAL MUNICIPALITY
PERFORMANCE

Intsika Yethu Local Municipality continued to manage the municipal resources in line with Municipal Financial Management Act prescripts. The financial year was characterised by new developments within the municipality in as far as developmental agenda is concerned.

The Council continued with its function to promote the interest of its consumers, residents and ratepayers by providing safe and excellent working environment. The municipality has made some initiatives noticeable to the communities through departments like Local Economic Development (LED), Community Services and Infrastructure, Planning Development Department. LED has coordinated the development of Intsika Yethu Hawker Stalls with the amount of R 2,5million. The department continued with other projects such as live stock improvement.

A Landfill site was constructed in Cofimvaba town with the substation constructed in Tsomo town with an amount of R 4,8 million set aside for the project. The project had good spin-off for the local economy as communities of both towns benefited. Funds from MIG and Equitable Share funds were utilised to address the issue of access roads. Access roads in ward were constructed with the amount of R 10 million.

On the governance issues our municipality functioned well and the council and its committees sat throughout the year under the review and the compliance with the governance imperatives were being ensured as much as possible. The municipality continued to attend the previous financial year challenges and they were attended to as a way to put the municipality in good position and to deliver to our community better than before.

As the Council we are also required to interact with the community. Imbizo's were held at all wards to consider concerns of the communities during the Budget and IDP processes which were all a success as the municipality has information as to what our communities need and took note of that service delivery is going at an acceptable pace and we have met our target timeframes. It shows in our SDBIP and notes all our shortfalls so we can take decisive action.

Revenue income from services collected increased compared with the previous financial year.

Lastly let me extend a word of appreciation to the community at large for having used their right to go and vote and elect the leaders of the country. I would also like to thank our employees who work tirelessly to ensure service delivery takes place within the required timeframes and the lives of the people are improved for the better and ensuring sound administration is maintained and improved over time. I also need to thank the Councilors and Exco members in making sure that they were accessible to the people and address their needs, to promote healthy relationship with traditional leaders to update them with latest developments and other government programmes are ushered to them.


S.D. Plata

MAYOR AND CHAIRMAN OF THE
EXECUTIVE COMMITTEE

31 08 2019

Date

INTSIKA YETHU LOCAL MUNICIPALITY

TREASURER'S REPORT

1) INTRODUCTION

Appropriate legislation was complied with in order to provide statements for the year ending 30 June 2009. To the best of my knowledge, these financial statements are a fair presentation of the Council at the above mentioned date and the results of its operation for the year then ended.

2) OPERATING RESULTS

Details of the results per department, classification and object of expenditure are included in appendices D and E. The applicable statistics are shown in appendix F. The overall operating results for the year ended 30 June 2009 are as follows :

INCOME	Actual 2008/09 R	Actual 2007/08 R	Variance Actual 07/08 VS Actual 08/09 %	Budget 2008/09 R	Variance Actual/ Budget %
Accumulated surplus brought forward	37,471,253	52,149,053	-28.15%	-	100%
Operating Income for the Year	72,181,411	58,990,297	22.36%	84,508,593	-14.59%
	109,652,664	111,139,350	-1.34%	-	-
EXPENDITURE					
Appropriation for the year	(9,381,199)	(2,169,615)	332.39%	-	100.00%
Operating Expenditure	78,710,029	77,623,592	1.40%	84,508,593	-6.86%
	69,328,830	75,453,977	-8.12%	-	-
(Deficit)/ Surplus at year end	40,323,834	35,685,373	13.00%	-	100.00%

IRISAKA TETRA POLICE MUNICIPALITY TREASURER'S REPORT

2.1) RATE AND GENERAL SERVICES

	Actual 2008/09 R	Actual 2007/08 R	Variance Actual Increase/ Decrease %	Budget 2008/09 R	Variance Actual/ Budget %
Income	72,181,410	58,990,297	22.36%	84,508,593	-15%
Expenditure	78,710,029	77,623,592	1.40%	84,508,593	-7%
(Deficit) / Surplus	(6,528,619)	(18,633,295)	-64.96%	-	-100%
Surplus (Deficit) as % of Total Income	-9.04%	-31.59%	-71.37%	0.00%	

3) CAPITAL EXPENDITURE AND FINANCING

	Actual 2008/09 R	Budget 2008/09 R	Actual 2007/2008
<u>Capital Expenditure</u>			
Land and buildings	2,431,833	100,000	1,703,953
Infrastructure Assets	10,433,429	10,130,520	6,798,062
Community Assets	9,150,910	6,833,031	4,727,341
Other Assets	-	1,100,000	5,923,400
	22,016,172	18,163,551	19,152,756
<u>Financing of Fixed Assets</u>			
Contribution from Current Income	-	1,100,000	5,923,400
Loans redeemed	1,120,475	-	-
Grants and Subsidies	17,529,885	17,063,551	13,229,356
Net assets	18,650,360	18,163,551	19,152,756

The significant increase in expenditure on capital projects during the year results from our objectives to accelerate the delivery of basic services and construction of infrastructure.

**2008/09 TOWN OF MOSES
TREASURER'S REPORT**

4) INVESTMENTS AND CASH

Investments and cash amounted to R26 814 653 at 30 June 2009 (30 June 2008: R 28 495 225).

	2009	2008
	R	R
Δ Bank and Cash	24,458,518	9,645,101
Δ Short term investments	2,147,140	19,040,518
Δ Long term investments	208,995	150,000
	<u>26,814,653</u>	<u>28,835,619</u>

More information regarding investments is disclosed in notes 5 to the Annual Financial Statements.

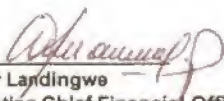
5) FUNDS AND RESERVES

The Revolving Fund has increased from R580,105 to R834,082.

More information regarding funds and reserves is disclosed in notes 1, 5 and appendix A to the annual financial statements.

EXPRESSION OF APPRECIATION

I am grateful to the Mayor, Councillors, the Municipal Manager and Heads of Departments for their support during the past year.


Mr Landingwe
Acting Chief Financial Officer

DATE: 31/08/2009

INTSIKA YETHU LOCAL MUNICIPALITY
AUDIT REPORT

IRISH CATHEDRAL LOCAL MUNICIPALITY ACCOUNTING POLICIES

ACCOUNTING POLICIES

1) BASIS OF PRESENTATION

- 1.1 These Financial Statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice (1997) and Report on the Standardisation of the Financial Statements of Local Authorities (2nd Edition, January 1996).
- 1.2 The Financial Statements are prepared on the historical cost basis, adjusted for capital expenditure. The Accounting Policies are consistent with those applied in the previous year, except if otherwise indicated. Fundamental errors identified have been adjusted for and prior year restated where applicable.
- 1.3 The Financial Statements are prepared on the accrual basis as stated :
 - Income is accrued when measurable and available to finance operations. Certain direct income is accrued when received, such as traffic fines and business licenses.
 - Expenditure is accrued in the year that it is incurred.
- 1.4 The Financial Statements are prepared on the going concern basis as stated.

This means the municipality anticipates carrying on its business for the foreseeable future. It is noted that the municipality relies heavily on grants for its income (On average over 90%). If grant income was not received, the going concern assumption is not likely to be appropriate. The existence and adequacy of the allocation of Grants and Subsidies for the following financial year has been confirmed per the Division of Revenue Act.

2) CONSOLIDATION

The financial statements includes rate and general services, different funds, reserves and provisions. All inter departmental charges if any, are set-off against each other, with the exception of assessment rates and refuse removal which are treated as income and expenditure in the respective departments.

3) FIXED ASSETS

- 3.1 **FIXED ASSETS ARE STATED :**
 - at historical cost, or
 - at valuation (based on market price at date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the Treasurer.

INTSIKA YETHU LOCAL MUNICIPALITY ACCOUNTING POLICIES

5) RETIREMENT BENEFITS

It is the policy of the municipality to provide retirement benefits for its personnel. Current contributions are charged against the operating account at the rate of a fixed rate of the basic salary paid to employees.

6) SURPLUSES AND DEFICITS

Accumulated surpluses reflect the residual of revenue against the sum of operating and capital expenditure reduced by any appropriations.

7) INVESTMENTS

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred.

8) INVENTORIES

No stock is kept. Purchases are debited directly to the expense account.

9) INCOME RECOGNITION

9.1 Assessment Rates

Assessment Rates are levied at the same tariff for the land and improvements. Rebates are granted to state bodies. Income is recognised when the annual and monthly levies are done at the beginning of the month.

9.2 Refuse and other income

Refuse is levied at an approved monthly flat rate. Sundry income is accounted for on a cash receipt basis.

9.3 Government and other related grants

Government and other related grants are recognised as revenue on an accrual basis and in accordance with the funding institution's annual disbursement plan as they relate to municipal statutory annual reporting period.

INTSIKA YETHU LOCAL MUNICIPALITY
ACCOUNTING POLICIES

10) PROVISIONS

Provisions are recognised when the municipality has a present legal or constructive obligation as a result of past events and is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

11) LEASES

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due.

INTSIKA YETHU LOCAL MUNICIPALITY
BALANCE SHEET AS AT 30 JUNE 2009

	Notes	2009 R	2008 Restated R
CAPITAL EMPLOYED			
FUNDS AND RESERVES		834,082	580,105
Statutory Funds	1	834,082	580,105
		-	-
ACCUMULATED SURPLUS/ (DEFICIT)	2	40,323,834	37,471,253
LONG-TERM LIABILITIES		3,872,964	-
Loan DBSA	3	3,872,964	-
		45,030,880	38,051,358
EMPLOYMENT OF CAPITAL			
		5,721,948	19,190,518
FIXED ASSETS	4	3,365,812	-
INVESTMENTS	5	2,356,136	19,190,518
NET CURRENT ASSETS/ (LIABILITIES)		39,308,932	18,860,840
CURRENT ASSETS		41,889,197	20,775,701
Inventory	6	-	46,262
Debtors	7	17,430,679	11,084,338
Bank and Cash	8	24,458,518	9,645,101
CURRENT LIABILITIES		2,580,265	1,914,861
Provision	9	1,011,663	1,032,641
Creditors	10	1,568,602	882,220
		45,030,880	38,051,358

WATER SUPPLY OF A MUNICIPALITY
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	2008/2009 Actual income	2008/2009 Actual expenditure	2008/2009 Restated Actual Surplus/(Deficit)	2008/2009 Budgeted Surplus/(Deficit)	2007/2008 Actual expenditure	2007/2008 Restated Actual Surplus/(Deficit)	2007/2008 Budgeted Surplus/(Deficit)
	R	R	R	R	R	R	R
RATE AND GENERAL SERVICES	72,181,411	78,710,029	(6,528,618)	-	58,990,297	(18,633,295)	-
Community Services	71,833,432	78,710,029	(6,876,597)	-	57,905,005	(19,718,587)	1,858,604
Economic Services	347,979	347,979	347,979	-	1,085,292	1,085,292	(1,858,604)
TOTAL	72,181,411	78,710,029	(6,528,618)	-	58,990,297	(18,633,295)	-
Appropriation for this year			9,381,199			2,169,615	
(Refer working papers)							
Net (deficit)/ Surplus for the year			2,852,581			(16,463,680)	
Accumulated Surplus beginning of the year			37,471,253			53,934,933	
ACCUMULATED SURPLUS AT END OF THE YEAR			40,323,834			37,471,253	

INTSIRA YETHU LOCAL MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009	2008 Restated
CASH RETAINED FROM OPERATING ACTIVITIES			
Cash generated by operations	15	17,438,056	(20,957,295)
Investment income		1,530,724	4,129,641
(Increase)/ decrease in working capital	16	(5,634,675)	(1,942,424)
CASH AVAILABLE FROM OPERATIONS		13,334,105	(18,770,078)
Cash Contributions from the Public and State		-	-
Net Proceeds on Disposal of Fixed Assets		82,751	-
CASH UTILISED IN INVESTING ACTIVITIES		82,751	-
Investment in Fixed Assets		(19,564,761)	-
NET CASH FLOW		(6,147,905)	(18,770,078)
CASH EFFECTS FROM FINANCING ACTIVITIES			
Increase in long-term loans		3,872,962	-
(Increase)/ decrease in cash investments	17	16,834,383	690,997
(Increase)/ decrease in cash	18	(14,813,417)	18,048,350
Increase/(decrease) in funds		253,977	30,731
Net Cash (Utilised)/ Generated		6,147,905	18,770,078

INTSIKA YETHU LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2009

	2009	2008 Restated
1) Statutory Funds		
Meeg Bank: Revolving Fund - 9061149096	622,157	580,105
Public Improvement Fund	211,925	-
	834,082	580,105
(Refer to appendix A for more details)		
2) Accumulated Surplus/ (Deficit)		
Appropriation account:		
Accumulated surplus at the beginning of the year	37,471,253	53,934,934
Operating (deficit)/ surplus for the year	2,852,581	(18,633,296)
Sub-Total	40,323,834	35,301,638
Contributions to revolving funds, trust funds and reserves	(1,011,663)	24,771,783
Prior year adjustments	(301,341)	(22,966,141)
Other adjustments	10,694,203	363,973
Accumulated surplus at the end of the year:	40,323,834	37,471,253
Contributions to:		
Asset financing	22,016,172	19,152,756
	22,016,172	19,152,756
3) Long Term Liabilities		
Loan DBSA	3,872,964	-
Less: Current portion of long term loan	-	-
	3,872,964	-
(Refer to appendix B for more details on long term liabilities)		
4) Fixed Assets		
Fixed Assets at the beginning of the year	99,116,020	80,220,691
Capital expenditure during the year	22,016,172	19,152,756
Less: Written-off Assets	-	(257,427)
Total Fixed Assets	121,132,192	99,116,020
Less: Loans Redeemed and other capital receipts	(117,766,380)	(99,116,020)
NET FIXED ASSETS	3,365,812	-
(Refer to appendix C for more details)		

INTSIKA YETHU LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2009

2009 2008 Restated

5) Investments

5.1) Short-term Investment:

- CMIP- Investment- 62022329438	88	1,179,485
- Equitable Share- 74045339170	-	-
- IDP Call account- 62026742404	-	693,754
- Municipal Rank- Investment- 6202740549	1,271,966	1,159,841
- Peoples Housing Account- 62023535795	196,047	196,047
- Registry Investment- 620270934	39,245	39,245
- Registry Investment- 62027101245	109,876	100,281
- Standard bank- Notice Deposit- 088795101	33,048	28,364
- Testing station investment account- 74026742946	46,802	42,596
- Meeg Bank: Revolving fund- 9061149096	391,948	512,761
- MIG Funds- 62027179127	-	-
- Survey- 62027179127	20,782	20,782
- Trust Account- 62090678320	-	-
- Intsika Yethu Secondary- 62132786338	2,414	-
- DBSA Loan- Money markets- 62160167500	34,925	32,268
- Nedbank Investments- 03/7881052066/002	-	15,035,096
	2,147,141	19,040,519

No investments were written off during the year

5.2) Long-term investment:

FNB Insurance brokers

208,995	150,000
208,995	150,000
2,356,137	19,190,519

No investments have been pledged as security for any funding facilities of the council.

6) Inventory

Consumables

Stationery

-	-
-	46,262
-	46,262

7) Debtors

Consumer debtors

VAT

Staff debtors

Other debtors

Less: Provision for bad debts

18,570,538	14,838,091
7,940,960	8,129,286
6,451,208	6,708,805
585,391	-
-	-
3,592,979	-
(1,139,859)	(3,753,753)
17,430,678	11,084,338

INTSIKA YETHU LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2009

	2009	2008 Restated
8) Bank and Cash		
Main Bank Account- FNB	14,162,709	1,837,166
Other Bank Accounts- Favourable	10,294,923	7,807,935
Petty cash	886	-
	24,458,518	9,645,101

9) Provisions		
Leave pay	(1,011,663)	(1,032,641)
	(1,011,663)	(1,032,641)

10) Creditors		
Trade creditors and accruals	(882,220)	(882,220)
Unspent conditional grant	18,274	-
Other creditors	(704,655)	-
	(1,568,601)	(882,220)

11) Assessment Rates

	Valuations as at 30 June 2009	Actual income of 2009	Actual income of 2008
Total	73,928,640	953,559	2,693,764

Valuations on land and improvements are performed every 4 years and the last general valuation came into effect during 2004/2005, per interim valuation. The basic rate was 0.0175c per rand on land and improvements. A 20% rebate was granted to government departments.

12) Prior year adjustments

Correction of the following errors:

- Property, plant and equipment	-	(23,147,764)
- Bank and Cash balances	-	178,772
- Creditors and stores	-	2,851
- Re-statement of investments and cash opening balance	-	363,973
- Prior year errors	(301,341)	-
	(301,341)	(22,602,168)

The prior year adjustment relates to adjustments for accounting errors for previous years.

13) Finance transactions

Total interest earned or paid		
- Interest earned	1,657,332	4,129,641
- Interest paid	(80,036)	-
	1,577,296	4,129,641

INTSIKA YETHU LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2009

	2009	2008 Restated
14) Capital commitments		
Commitments in respect of capital expenditure		
- Approved and contracted for;	35,708,043	8,865,025
This expenditure will be financed from;		
- Internal sources and Government Grants	35,708,043	8,865,025
15) Cash generated from operations		
Surplus/ (Deficit) for the year	(6,528,618)	(18,633,296)
Adjustments for:	-	-
Previous year's operating transactions	2,391,941	1,805,642
Appropriations charged against income		
Fixed Assets	22,016,172	
Provisions	1,011,663	
Statutory Funds	253,977	
Capital charges	-	
Interest charged:	80,036	
External		
Internal	-	
Redemption:	-	
External		
Internal	-	
Deferred charges written off	-	
Investment income (Operating Account)	(1,530,724)	(4,129,641)
Non-operating income:	-	-
From Reserve and Trust Funds	-	-
Non-operating expenditure:	(256,391)	-
Expenditure charged against Reserves	-	-
	17,438,056	(20,957,295)
16) Decrease in working capital		
- (Increase)/ decrease in inventory	46,262	(30,089)
- (Increase)/ decrease in accounts receivable	(6,346,341)	(302,121)
- Increase/ (decrease) in accounts payable and provisions	665,404	(1,610,215)
	(5,634,675)	(1,942,425)
17) Decrease in cash investments comprise:		
- Investement realised	16,834,383	690,997
	16,834,383	690,997
18) Increase in cash and cash equivalents		
- Increase in cash balances	14,813,417	18,048,350
	14,813,417	18,048,350

INTSIKA YETHU LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2009

			2009	2008 Restated
19) Contingent liability				
Case No.	Details	Background		
1767/08	IYM vs Attwel Ntwana	Land invasion	700,000	-
1767/08	IYM vs Amos M Pambuka	Land invasion	700,000	-
634/2007	IYM vs King Lwandile Matanzima	Land Claim	250,000	-
228/2008	IYM vs Municipal Councillor Pension Fund	Fund / Claim	2,700,000	2,121,174
709/09	IYM vs Kungeka Makapela	Council Expulsion	516,000	-
710/09	IYM vs Dalakuthethwa Wakeni	Council Expulsion	515,500	-
63/08	IYM vs Thembi Nosolomzi Tyhuluba	Land invasion	75,000	-
64/08	IYM vs Ncumisa Mkunjulwa	Land invasion	75,000	-
			5,531,500	2,121,174

20) Additional disclosures in terms of MFMA

20.1)	Audit fees	1,808,922	824,185
20.2)	Remuneration of councillors and managers		
	Major	423,123	350,471
	Councillor's remuneration	9,056,528	8,168,648
	Total of Council remuneration	9,479,651	8,519,119
	Municipal Manager	720,259	550,485
	Senior Managers	2,887,824	3,011,818
	Total of Managers remuneration	3,608,083	3,562,303
20.3)	Contributions to organised local government		
	Opening balance	-	-
	Council subscriptions	-	116,242
	Amount paid- current year	-	(116,242)
	Amount paid- previous years	-	-
	Balance unpaid (included in the creditors)	-	-

**INSIKA YETHU LOCAL MUNICIPALITY
APPENDIX A
ACCUMULATED SURPLUS, RESERVES AND PROVISIONS
FOR THE YEAR ENDED 30 JUNE 2009**

	Balance at 30 June 2008	Contributions during the year	Interest on Investments	Other Income	Expenditure during the year	Redeemed	Balance at 30 June 2009
					Operational	Capital	
STATUTORY FUNDS							
Meeg bank: Revolving fund - 9061149096	580,105	42,052	-	-	-	-	622,157
Public Improvement Fund	-	211,925	-	-	-	-	211,925
	580,105	253,977	-	-	-	-	834,082
PROJECT FUNDS							
CMIP - Investment - 62022329438	1,179,485	-	28,453	-	1,207,850	-	88
IDP call account - 62026742404	693,754	-	14,357	-	708,111	-	-
Municipal Rank (Investment - 62026740549)	1,159,840	-	112,489	-	364	-	1,271,965
Peoples Housing Account - 62023535795	196,047	-	-	-	-	-	196,047
Registry Investment - 62027099234	39,245	-	-	-	-	-	39,245
Registry Investment - 62027101245	100,281	-	9,959	-	364	-	109,876
Testing Station Investment account - 74026742946	42,700	-	4,207	-	-	-	46,907
Survey - 62027179127	20,782	-	-	-	-	-	20,782
DBSA - Money Market - 62160167500	32,268	-	3,103	-	446	-	34,925
	3,464,402	-	172,668	-	1,917,136	-	1,719,836
OTHER FUNDS							
Standard Bank - Notice Deposit - 0887951001	28,364	-	4,685	-	-	-	33,049
Intsika Yethu Secondary - 62132786338	-	2,414	-	-	-	-	2,414
Nedbank Investments - 0377881052066/002	15,035,096	-	421,151	-	15,456,247	-	-
	15,063,460	2,414	425,836	-	15,456,247	-	36,463

MUNICIPALITY OF GERMISTON
APPENDIX B
EXTERNAL LOANS AND INTERNAL SOURCES
FOR THE YEAR ENDED 30 JUNE 2009

Actual 2008	Actual 2009	Received during the year	Redeemed or written off during the year	Budget 2009
R	R	R	R	R
-	3,872,962	3,872,962	-	-

Loan amount R 10,000,000.00
 Loan period 20 years
 Interest rate 5 percent. Interest incurred in the period amounted to R80,035. This was capitalised to the loan.
 Capital repayment 40 equal six-monthly instalments, commencing on the last day of the first half-year after the half-year during which the first disbursement was advanced to the Borrower.
 Penalty interest Penalty interest shall be calculated with regard to actual period during which the amount payable remained unpaid, at fixed interest rate of the loan, 5 percent, PLUS 2 percent (per annum). Penalty interest shall be compounded six-monthly (01 April to 30 September, and/or, 01 October to 31 March during next calendar year), and payable on demand.

INTSIKA YETHU LOCAL MUNICIPALITY
APPENDIX B
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2009

INCOME		Actual 2009	Budget 2009
Actual 2008	R	R	R
2,693,764	Assessment rates	953,559	1,850,000
48,768,566	Provincial and National Grants and Subsidies:	67,658,357	43,449,317
1,213,098	Service charges	1,043,767	675,800
4,129,641	Interest received	1,657,332	3,059,418
2,185,228	Other income	868,396	35,474,058
<u>58,990,297</u>	Total Income	<u>72,181,411</u>	<u>84,508,593</u>
EXPENDITURE			
29,937,982	Salaries, wages and allowances	32,280,601	34,097,656
28,227,080	General expenses:	17,271,056	49,398,390
305,772	Repairs and maintenance	1,570,579	249,000
-	Capital charges	80,036	763,547
19,152,758	Contributions to fixed assets	22,016,172	-
-	Contributions	5,491,585	-
<u>77,623,592</u>	Gross Expenditure	<u>78,710,029</u>	<u>84,508,593</u>
<u>(18,633,295)</u>	Net Surplus/ (deficit)	<u>(6,528,618)</u>	<u>-</u>

INTSIKA YETHU LOCAL MUNICIPALITY
APPENDIX F
STATISTICAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2009

GENERAL STATISTICS

1) POPULATION

<i>Period</i>	<i>Total population</i>	<i>Registered Voters</i>	<i>Area square km</i>
2009	194 246	78092	2 901
2008	194 246	76 203	2 901

2) ASSESSMENT RATES

<i>PROPERTY CATEGORY</i>	<i>VALUATION</i>	<i>ACTUAL INCOME 2009</i>	<i>ACTUAL INCOME 2008</i>
State owned property	967,915	-	-
Commercial and residential	973,615	-	2,693,764
TOTAL VALUATION	1,941,530	518,750	2,693,764

General valuation of land and buildings is performed every four years.
The last valuation was done during 2004/2005, per interim valuation.

The assessment rates were as follows;

- Commercial and residential properties 0.00175c per R1
- State owned properties N/A

2) WATER STATISTICS

<i>Period</i>	<i>KI Purchase</i>		
	<i>Purchase</i>	<i>Cost per KI sold</i>	<i>Income per KI sold</i>
2009	-	-	R 2.46
2008	83 112	R1 .53	R2 .30
<i>Total</i>			